

Annual Report

Agricultural Producer Security Trust Fund

Year Ended June 30, 2024

Issued November 22, 2024



Division of Trade and Consumer Protection
Bureau of Business Trade Practices
Agricultural Producer Security Section

TABLE OF CONTENTS

Statement of Revenues, Expenditures, and Cash Balances	2
Notes to Statement of Revenues, Expenditures, and Cash Balances	
Note 1 -- Accounting Methodology	3
Note 2 -- Statements of Revenues, Expenditures, and Cash Balances by Industry Group	4
Note 3 – Revenues	8
Note 4 – Expenditures	9
Note 5 – Fund Balances and Statutory Trigger Amounts	10
Note 6 – Individual Security	11
Note 7 – License History	12
Note 8 – Defaults and Recoveries	14

Wisconsin Agricultural Producer Security Trust Fund
Statement of Revenues and Expenditures, and Cash Balances
(rounded to 10s)

	FY 24	FY 23	FY 22
Revenues			
Assessments			
Grain Dealers	547,070	328,590	233,160
Grain Warehouse Keepers	82,890	34,910	54,680
Milk Contractors	106,450	235,750	58,570
Vegetable Contractors	288,890	227,720	210,940
Total Assessments	1,025,300	826,970	557,350
Licenses Fees & Administrative Revenues			
Grain Dealers	29,900	21,550	21,170
Grain Warehouse Keepers	237,270	285,250	275,750
Milk Contractors	126,270	113,760	106,260
Vegetable Contractors	207,360	156,470	142,280
Total License Fees & Monthly Fees	600,800	577,030	545,460
Interest Revenue	728,500	472,860	25,570
Grain Dealer–Audits for Marketing Boards	3,240	2,040	5,960
Total Revenues	2,358,840	1,878,900	1,134,340
Expenditures			
Salaries and Fringe			
Grain Dealers	292,700	271,520	316,760
Grain Warehouse Keepers	245,470	208,490	226,690
Milk Contractors	433,610	384,630	383,040
Vegetable Contractors	135,330	120,910	125,120
Total Salaries and Fringe	1,107,110	985,550	1,051,610
Supplies and Services			
Grain Dealers	52,350	58,590	59,770
Grain Warehouse Keepers	50,340	50,230	47,580
Milk Contractors	61,580	68,220	66,240
Vegetable Contractors	22,050	21,510	19,640
Total Supplies and Services	186,320	198,550	193,230
Default Payments to Producers	704,930	(216,780)	160,570
Miscellaneous Expense	-	-	-
Total Expenditures	1,998,360	967,320	1,405,410
Net Change in Fund Balance	359,480	911,580	(271,070)
Beginning Cash Balance	13,177,490	12,265,910	12,536,980
Ending Cash Balance	13,537,970	13,177,490	12,265,910

Wisconsin Agricultural Producer Security Trust Fund
Notes to Statement of Revenues and Expenditures, and Cash Balances

OVERVIEW

The Wisconsin Agricultural Producer Security Trust Fund (the Fund) is established under Wis. Stat. § 25.463 and is administered by the Department of Agriculture, Trade and Consumer Protection (the Department). The Fund is maintained within the Department's Agricultural Producer Security Program (the Program). The Program is governed by Wisconsin Statute Chapter 126. The purpose of the Program is to provide some level of assurance that milk, vegetable and grain producers will be paid for their products. Generally, persons who purchase grain, milk or vegetables from Wisconsin producers, and grain warehouse keepers who store producer owned grain, are required to comply with the provisions of Wis. Stat. Ch. 126. Collectively, these parties are defined as Contractors. Wis. Stat. Ch. 126 contains a variety of provisions to ensure that Contractors are able to pay producers. However, if a Contractor does fail to pay, producers may be able to make a claim against the Fund.

Fund revenues primarily consist of assessments and license fees paid by licensed Contractors. Fund expenditures include administrative expenditures of operating the Program and any costs associated with insurance or other backing for the fund. Further, should a contractor fail to pay a grain, milk or vegetable producer, that producer may be able to make a claim against the Fund for partial reimbursement.

The State of Wisconsin Investment Board oversees the management of investment activities for the Fund.

Note 1 – Accounting Methodology

The Statement of Revenues and Expenditures, and Cash Balances are presented using the cash basis method of accounting. Revenues are recognized when received and expenditures are recognized when disbursed.

All transactions for the Fund are recorded using STAR, which is the State of Wisconsin's accounting and human resource management system. The Wisconsin Department of Administration is responsible for the overall management of this system. The Department's Division of Management Services is responsible for the overall accounting for the Fund, including processing revenue and expenditure transactions.

In addition, state law requires the department to account for the balance in the Fund that is attributable to each of the four contractor license types within the program (Grain Dealers, Grain Warehouse Keepers, Milk Contractors, and Vegetable Contractors).¹ Accordingly, the Division of Trade and Consumer Protection (Division) maintains more detailed revenue, expenditure, and cash balance reports, which are reconciled with STAR on a monthly basis.

¹ Wis. Stat. § 126.05(2)

Note 2 – Statements of Revenues, Expenditures, and Cash Balances by Industry Group

Revenues, expenditures, and cash balances for each of the four license programs are shown on pages 4 - 7.

GRAIN DEALER			
CASH BALANCE and DETAILED REVENUES & EXPENDITURES			
(rounded to 10s)			
Revenue Detail			
Description	FY 24	FY 23	FY 22
Assessments	6,000	4,400	4,000
Deferred Payment Assessments	540,970	324,190	228,840
License Fees	29,100	20,250	20,270
Penalties/Late Fees	900	1,300	1,220
Audit Services for Marketing Boards	3,240	2,040	5,960
Interest (allocated)	368,510	234,840	12,600
Total Revenues	948,720	587,020	272,890
Expenditure Detail			
Personnel Expenditures			
Personal Services	212,670	207,010	242,050
Fringe Benefits	80,030	64,510	74,710
Subtotal	292,700	271,520	316,760
Supplies and Services			
Travel & Training	9,910	9,570	12,610
Telecommunication	1,040	1,550	950
Rent & Lease	11,210	14,330	16,090
Maintenance & Repairs	-	30	-
Professional/Contractual Services	3,310	3,030	2,870
Other Administrative & Operating	24,440	23,170	20,470
Insurance	1,360	1,330	1,540
Printing	10	-	-
Computer Software	100	5,210	4,230
Supplies	970	380	1,000
Subtotal	52,350	58,600	59,760
Other Expenditures			
Default Payments	-	-	83,880
Miscellaneous Expenditure	-	-	-
Total Expenditures	345,050	330,120	460,400
Net Change in Cash Balance	603,670	256,900	(187,500)
Beginning Cash Balance	8,071,680	7,814,780	8,002,280
Ending Cash Balance	8,675,350	8,071,680	7,814,780

GRAIN WAREHOUSE KEEPER
CASH BALANCE and DETAILED REVENUES & EXPENDITURES
(rounded to 10s)

Revenue Detail			
Description	FY 24	FY 23	FY 22
Assessments	82,790	34,910	54,360
License Fees	236,670	284,050	275,050
Penalties/Late Fees	700	1,200	1,020
Interest (allocated)	48,800	30,950	1,610
Total Revenues	368,960	351,110	332,040
Expenditure Detail			
Personnel Expenditures			
Personal Services	176,370	156,340	174,750
Fringe Benefits	69,100	52,150	51,930
Subtotal	245,470	208,490	226,680
Supplies and Services			
Travel & Training	18,190	17,370	10,710
Telecommunication	100	490	610
Rent & Lease	9,950	12,730	14,110
Maintenance & Repairs	-	20	-
Professional/Contractual Services	3,420	2,360	2,230
Other Administrative & Operating	17,010	14,260	15,500
Insurance	1,060	970	1,210
Printing	-	-	-
Computer Software	-	1,590	2,570
Supplies	600	440	640
Subtotal	50,330	50,230	47,580
Other Expenditures			
Default Payments	-	-	76,690
Miscellaneous Expenditure	-	-	-
Total Expenditures	295,800	258,720	350,950
Net Change in Cash Balance	73,160	92,390	(18,910)
Beginning Cash Balance	405,570	313,180	332,090
Ending Cash Balance	478,730	405,570	313,180

MILK CONTRACTOR
CASH BALANCE and DETAILED REVENUES & EXPENDITURES
(rounded to 10s)

Revenue Detail

Description	FY 24	FY 23	FY 22
Assessments	74,740	186,210	39,810
Deferred Payment Assessments	30,360	49,540	18,610
Monthly License Fee	122,310	109,780	103,230
Annual License Fee	3,050	3,280	2,430
Penalties/Late Fees	2,250	700	750
Interest (allocated)	296,950	198,450	10,890
Total Revenues	529,660	547,960	175,720

Expenditure Detail

Personnel Expenditures

Personal Services	317,870	280,900	272,290
Fringe Benefits	115,730	103,730	110,760

Subtotal	433,600	384,630	383,050
-----------------	----------------	----------------	----------------

Supplies and Services

Travel & Training	5,980	7,970	10,360
Telecommunication	750	1,500	1,630
Rent & Lease	20,460	25,670	27,360
Maintenance & Repairs	150	240	140
Professional/Contractual Services	3,640	3,250	3,080
Other Administrative & Operating	28,030	27,380	21,530
Insurance	1,870	1,590	1,700
Computer Software	490	310	180
Supplies	220	300	260

Subtotal	61,590	68,210	66,240
-----------------	---------------	---------------	---------------

Other Expenditures

Default Payments	738,880	-	-
Miscellaneous Expenditure	-	-	-

Total Expenditures	1,234,070	452,840	449,290
---------------------------	------------------	----------------	----------------

Net Change in Cash Balance	(704,410)	95,120	(273,570)
----------------------------	------------------	--------	------------------

Beginning Cash Balance	7,594,810	7,499,690	7,773,260
------------------------	-----------	-----------	-----------

Ending Cash Balance	6,890,400	7,594,810	7,499,690
----------------------------	------------------	------------------	------------------

VEGETABLE CONTRACTOR
CASH BALANCE and DETAILED REVENUES & EXPENDITURES
(rounded to 10s)

Revenue Detail			
Description	FY 24	FY 23	FY 22
Assessments	46,640	41,100	46,660
Assessment Surcharge	241,670	186,620	164,230
License Fees	194,420	143,560	126,350
Nonparticipating Potato License Fee	12,640	12,810	15,430
Penalties/Late Fees	870	100	550
Interest (allocated)	14,240	8,620	460
Total Revenues	510,480	392,810	353,680
Expenditure Detail			
Personnel Expenditures			
Personal Services	101,600	90,220	88,830
Fringe Benefits	33,730	30,690	36,300
Subtotal	135,330	120,910	125,130
Supplies and Services			
Travel & Training	2,740	3,210	2,570
Telecommunication	-	-	-
Rent & Lease	6,400	8,170	8,720
Maintenance & Repairs	70	-	-
Professional/Contractual Services	1,130	1,030	980
Other Administrative & Operating	10,970	8,450	6,690
Insurance	590	510	540
Printing	-	-	-
Computer Software	-	-	50
Supplies	140	140	90
Subtotal	22,040	21,510	19,640
Other Expenditures			
Default Payments	(33,950)	(216,780)	-
Miscellaneous Expenditure	-	-	-
Total Expenditures	123,420	(74,360)	144,770
Net Change in Cash Balance	387,060	467,170	208,910
Beginning Cash Balance	(2,894,570)	(3,361,740)	(3,570,650)
Ending Cash Balance	(2,507,510)	(2,894,570)	(3,361,740)

Note 3 – Revenues

Assessments

The Division maintains billing and accounts receivable systems that track assessments by individual contractor and by license year. Each contractor's assessment amount is calculated by multiplying the "assessment rate" by the contractor's total procurements (or storage capacity in the case of grain warehouse keepers).

Generally, assessment rates are calculated using a complex formula that is based on the contractor's current ratio and debt-to-equity ratio. The assessment rate is higher for contractors having weaker financial positions. The assessment rate for contractors that are not required to file a financial statement is a fixed rate based on the number of years the contractor contributed to the Fund. The Department calculates the annual assessment at the beginning of each license year.²

License Fees and Inspection Fees

License fees must be paid to obtain a license. Whereas assessment rates are partially based on financial ratios, license fees are based on the overall purchase volume or storage capacity of the licensee.

- Grain Dealer License and Inspection Fee Detail:
 - Nonrefundable license processing fee of \$25.
 - Base License fee of \$0.0010 per bushel, rounded to the nearest \$100, except license fee may not be less than \$100 or more than \$10,000, less any fee credits for which the grain dealer qualifies.
 - Additional locations fee (for each location greater than one) of \$100
 - Audit services for marketing boards. While on site for routine grain dealer audits, the bureau regularly performs compliance exams on behalf of the Wisconsin Corn Marketing Board and the Wisconsin Soybean Marketing Board to confirm grain dealers are properly reporting check-off obligations to those organizations. The Program then bills the marketing boards for this work.
- Grain Warehouse Keeper License and Inspection Fee Detail:
 - Nonrefundable license processing fee of \$25.
 - Locations license fee of \$25 for each grain warehouse location.
 - Inspection Fees of \$0.0025 per bushel, rounded to the nearest \$1,000, except the inspection fee may not be less than \$1,000 or more than \$10,000, less any fee credits for which the grain warehouse keeper qualifies.
 - Supplemental inspection fee of \$275 for each location other than the main location.
- Milk Contractor License Fee Detail:
 - Nonrefundable license processing fee of \$25.
 - Monthly License fees of \$0.0015 for each 100 pounds of producer milk that the milk contractor procured in this state during the preceding month, less any fee credits for which the milk contractor qualifies.

² For more details about the assessment calculation, please see Wis. Stat. §§ 126.15, 126.30, 126.46, 126.60 and Wis. Admin. Code §§ ATCP 99.135, 99.255, 100.135 and 101.255. Assessment calculators are available by visiting the following website: https://datcp.wi.gov/Pages/Programs_Services/AgriculturalProducerSecurity.aspx

- Vegetable Contractor License Fee Detail:
 - Nonrefundable license processing fee of \$25.
 - Contract Obligation fees of \$25 plus \$0.0875 for each \$100 in contract obligations, less any fee credits for which the vegetable contractor qualifies.
 - A processing potato buyer that has elected not to participate in the fund pays the lesser of \$2,000 or \$25 plus \$0.0875 for each \$100 in contract obligations.

Late Payment Surcharges and Other Penalties

There are several penalties and surcharges under both the license fee and the assessment provisions of the producer security law, including:

- Late fee for failing to file an annual license renewal application and license fee payment. (\$100)
- Late fee for failing to file a required financial statement. (\$100)
- Late fee for failing to pay a monthly license fee when due (milk contractors only). (20% of the amount due)
- Surcharge for operating without a license. (\$500)
- Late fee for failing to pay an assessment installment by the required due date. (\$50 or 10% of the amount due; whichever is greater)

Interest Revenue

The Wisconsin Department of Administration deposits interest into the fund at the end of each month. The interest rate is determined monthly based on the overall return on the State of Wisconsin’s entire cash holdings. The division allocates interest revenue among the subaccounts based on each subaccount’s prior month ending balance as a percentage of the entire fund. Except that, in the event that a subaccount has a negative balance, that subaccount is ignored and the interest is allocated among the subaccounts with positive balances. For the Fiscal Years ended June 30, 2024, 2023 and 2022; the Fund received interest revenue of \$728,497.67, \$472,856.51, and \$25,566.38 respectively.

Note 4 – Expenditures

Employee Expenditures

The Department has authority to allocate FTEs within the license type subaccounts. The Department strives to place each FTE in the industry subaccount for which that person performs most of their duties. Positions that cannot be directly tied to an individual industry subaccount are allocated proportionally among the four subaccounts. The Division periodically reviews these allocations to ensure they reflect the actual work being done.

Allocation of the authorized FTEs, as of June 30, 2024, is shown in the schedule below.

	Grain Dealer	Grain Warehouse Keeper	Milk Contractor	Vegetable Contractors	Total
Agricultural Auditor	2.80	2.20	3.20	0.80	9.00
Agricultural Auditor Supervisor	0.25	0.25	0.25	0.25	1.00
Financial Specialist			0.50	0.20	0.70
License Permit Program Associate	0.60	0.40			1.00
TOTAL	3.65	2.85	3.95	1.25	11.70

Several supplies and services expenditures are also charged to the individual subaccounts based on these employee allocations. For example, the Wisconsin Department of Administration collects rent for office space from the department. The Department allocates the rent expenditures across the industry license type categories based on the number of FTEs in each individual program. Therefore, the allocation of FTEs among the four subaccounts has a direct impact on supplies and services expenditure amounts listed in the schedules in Note 2.

Note 5 –Fund Balances and Statutory Trigger Amounts

License Fee Credits

The crediting of excess Fund balances over the minimum threshold is an integral component of the program. Should the balance attributable to any one of the four industry groups exceed the specified minimum threshold listed below, the department must use a portion of the excess as a credit to the next year’s license fees owed by contributing contractors in that particular industry license type. The minimum balance threshold for each license type is as follows:

- Grain Dealers and Grain Warehouses Keepers \$ 2,300,000 combined as of May 31
- Milk Contractors \$ 4,000,000 as of February 29
- Vegetable Contractors \$ 825,000 as of November 30

In the event any of the industry groups exceed the thresholds listed above, the Department, in the following license year, issues a license fee credit to each contributing contractor who files a timely application. For the Grain Dealer, Milk Contractor and Vegetable Contractor license groups, the amount of the credit is fifty percent (50%) of the excess above the minimum balance threshold. In the case of the Grain Warehouse Keeper license group, the amount of the credit is twelve and a half percent (12.5%) of the excess. The credit is allocated among the contractors based on the total amount paid in license fees over the four preceding license years.

The milk contractor and grain dealer license groups received license fee credits in each of the three fiscal years reported in this document. The grain warehouse keeper group received license fee credits for the first time in fiscal year 2024. Credits used in FY 24 were: Milk Contractor \$370,614, Grain Dealer \$309,000, and Grain Warehouse Keeper \$36,507.

Minimum and Maximum Fund Balances

Wis. Stat. Ch. 126 permits the Department to modify fund assessments by administrative rule. Further, the statute *requires* the Department to modify assessments in order to maintain fund balances greater than the minimum and less than the maximum amounts.³ These amounts are as follows:

	Minimum Statutory Balance	Actual Balance as of June 30, 2024	Maximum Statutory Balance
Grain Dealers and Grain Warehouse Keepers	\$ 1,200,000	\$ 9,154,083.15	\$ 7,000,000
Milk Contractors	\$ 3,000,000	\$ 6,890,402.67	\$ 12,000,000
Vegetable Contractors	\$ 800,000	(\$ 2,507,513.25)	\$ 3,000,000
Entire Fund	\$ 5,000,000	\$13,536,972.57	\$ 22,000,000

³ Wis. Stat. § 126.88

Rules have been implemented which make various adjustments to assessments as follows:

- Add a vegetable contractor assessment surcharge, capped at \$50,000, if the vegetable contractor portion of the Fund balance is less than \$800,000.
- Allow for a 50% reduction in vegetable contractor assessments if all contract obligations are under written contracts with payment terms of no more than 30 days.
- Reduce milk contractor assessments by 20%.
- Create a deferred payment assessment of \$0.0035 multiplied by total milk payment obligations deferred.
- Reduce grain dealer assessments, including grain deferred payment assessments, if the grain dealer portion of the Fund exceeds \$6,000,000.

Assessment Holiday

Pursuant to administrative rules, contractors who have been contributing contractors for at least five years may forego paying any fund assessments for the following license year if, as of the specified date, the overall fund balance is at least \$11,000,000, and fund balance attributable to the industry group meets the specified minimum balance:

- Grain Dealers \$ 3,000,000 as of May 31 [Wis. Admin. Code § ATCP 99.126(5)]
- Grain Warehouse Keepers \$ 500,000 as of May 31 [Wis. Admin. Code § ATCP 99.235(4)]
- Milk Contractors \$ 6,000,000 as of Feb. 28 [Wis. Admin. Code § ATCP 100.135(10)]
- Vegetable Contractors \$ 1,500,000 as of Nov. 30 [Wis. Admin. Code § ATCP 101.245(4)]

Note 6 – Individual Security

The department holds security from some licensed contractors for the benefit of producers. The security can be filed in the form of an irrevocable letter of credit, commercial surety bond, certificate of deposit, or cash. Security is held for various reasons which include the following:

- **Disqualified:** Contractors who have filed a financial statement that shows negative owners' equity when they are first applying for a license must file individual security. These contractors do not contribute to the fund.
- **Deferred Payment:** Grain dealers and milk contractors that use deferred payment and do not meet a minimum 4:1 debt to equity ratio must file individual security in addition to contributing to the fund.
- **Estimated Default Exposure in Excess of \$20 million.** Contributing contractors who do not meet minimum financial ratios and whose estimated default exposure exceeds \$20 million are required to post security in an amount equal to the difference between the contractor's estimated default exposure and \$20 million.⁴ These contractors receive a proportionate reduction in their annual assessments.
- **Voluntary:** Contributing contractors whose estimated default exposure exceeds the maximum amount that can be paid out of the fund for any one default (60% of the total fund balance) may voluntarily file security to cover the difference. These contractors receive a proportionate reduction in their annual assessments.
- **Other:** If a contributing contractor is unable to file a required financial statement when initially licensed, is otherwise unable to comply with statutory provisions, or presents an especially excessive risk to producers, the department may require individual security.

⁴ The current ratio must be at least 1.25:1 and the debt to equity ratio must be no more than 4:1 for grain dealers, grain warehouse keepers, and vegetable contractors; and 2:1 for milk contractors.

Security Held as of June 30, 2024

	Bonds	Letter of Credit	CD's and other cash equivalents	Total Security
Grain Dealer				
Disqualified	\$ -	\$ -	\$ 130,000	\$ 130,000
Deferred Payment	5,480,818	3,128,739		8,609,557
Exposure Greater than \$20 Million	26,272,742			26,272,742
Voluntary	28,408,241			28,408,241
Other				-
Total	\$ 60,161,801	\$ 3,128,739	\$ 130,000	\$ 63,420,540
Milk Contractor				
Disqualified	\$ -	\$ -	\$ -	\$ -
Exposure Greater than \$20 Million	81,656,774			81,656,774
Voluntary				-
Other		500,000		500,000
Total	\$ 81,656,774	\$ 500,000	\$ -	\$ 82,156,774
Grand Total				\$ 145,577,314

Note 7 – License History

In the producer security program, each industry group has a separate license and expiration dates. The statutory expirations are:

- Grain Dealers, August 31 [Wis. Stat. § 126.11(4)(g)]
- Grain Warehouses Keepers, August 31 [Wis. Stat. § 126.26(3)(f)]
- Milk Contractors, April 30 [Wis. Stat. § 126.41(3)(d)]
- Vegetable Contractors, January 31 [Wis. Stat. § 126.56(4)(e)]

The following tables show the total number of licenses issued for each program over the last 10 years, including the total obligations, or for Grain Warehouse the storage capacity, reported on the license application. The Grain Dealer and Milk Contractor tables also show the total deferred payments made.

Grain Dealer				
License Year	Licenses Issued	Total Bushels Reported	Total Purchases Reported	Total DP Reported
2024 / 2025	205	490,101,434	\$3,553,596,156.45	\$657,503,974.38
2023 / 2024	203	499,109,658	\$3,622,641,737.89	\$618,505,249.01
2022 / 2023	207	486,856,048	\$2,843,883,416.02	\$483,481,601.77
2021 / 2022	211	436,434,001	\$1,994,035,965.22	\$306,653,760.45
2020 / 2021	218	443,491,103	\$1,972,730,259.97	\$243,747,517.83
2019 / 2020	214	478,113,547	\$2,071,092,136.37	\$254,235,921.29
2018 / 2019	223	486,409,035	\$2,131,516,511.45	\$276,503,567.46
2017 / 2018	230	482,348,475	\$2,182,501,509.51	\$263,797,486.18
2016 / 2017	232	433,995,530	\$2,022,015,455.36	\$249,167,940.94
2015 / 2016	244	385,365,675	\$2,046,937,724.98	\$263,722,370.99

Grain Warehouse Keeper		
License Year	Licenses Issued	Total Capacity
2024 / 2025	84	116,831,206
2023 / 2024	81	110,136,485
2022 / 2023	83	117,112,908
2021 / 2022	86	105,533,734
2020 / 2021	89	113,507,741
2019 / 2020	89	111,802,238
2018 / 2019	89	114,957,171
2017 / 2018	92	108,940,953
2016 / 2017	93	99,330,658
2015 / 2016	96	111,836,055

MILK CONTRACTOR			
License Year	Licenses Issued	Total Obligations	Total DP Reported
2024 / 2025	97	\$6,798,412,531	\$25,934,600
2023 / 2024	100	\$8,086,325,690	\$46,557,105
2022 / 2023	95	\$6,591,867,810	\$7,322,392
2021 / 2022	96	\$6,212,213,876	\$6,137,139
2020 / 2021	102	\$6,004,133,964	\$325,479
2019 / 2020	107	\$5,428,548,009	
2018 / 2019	113	\$5,826,643,909	
2017 / 2018	114	\$5,442,967,296	
2016 / 2017	114	\$5,600,605,835	
2015 / 2016	115	\$7,094,983,256	

Vegetable Contractor		
License Year	Licenses Issued	Total Obligations
2024 / 2025	28	\$ 393,960,694
2023 / 2024	29	\$ 329,640,087
2022 / 2023	31	\$ 279,248,893
2021 / 2022	31	\$ 285,967,526
2020 / 2021	32	\$ 255,745,776
2019 / 2020	33	\$ 283,325,768
2018 / 2019	34	\$ 274,844,173
2017 / 2018	35	\$ 306,769,790
2016 / 2017	36	\$ 271,984,516
2015 / 2016	40	\$ 322,047,777

Note 8 – Defaults and Recoveries

On July 4, 2023, the Department initiated a Recovery Proceeding against Hastings Creamery LLC, a licensed Milk Contractor, after it defaulted on payments to milk producers. A total of 34 valid and timely default claims were received. A proposed decision and notice of deadline to file objections was issued on Nov. 27, 2023. Timely objections were filed by Hastings and three milk producers, which resulted in two separate administrative proceedings. After a settlement was reached for the objection filed by Hastings, a final order was signed on May 3, 2024, which directed payments to be made from the Agricultural Producer Security Fund to 31 of the 34 producers. In accordance with this order, payments totaling \$738,877.59 were issued on May 10, 2024. After the end of the fiscal year, a settlement was also reached with the three remaining producers, and a final order was signed on July 29, 2024, which directed three additional payments to be made from the Agricultural Producer Security Fund. Those payments, totaling \$339,473.96, were issued on Aug. 2, 2024, and will be reflected in the fiscal year ended June 30, 2025.

Default Payouts since Inception of APS Fund

Date	Contractor	Default Amount	Allowed Claims	Net Producer Loss	Number of Producers/ Producer Agents
Grain Dealer					
2012	Cuff Nutrition Services, LLC	\$20,807	\$1,982	\$18,825	2
2013	GB Elevator, LLC	\$157,246	\$125,001	\$32,245	3
2013	Ruby Grain, LLC	\$75,337	\$60,269	\$15,068	13
2020	Frank's Feed Mill, Inc.	\$33,379	\$26,703	\$6,676	4
2020	Asbury Grain Services, LLC	\$254,776	\$254,776 ¹	\$0	23
2021	Pipeline Foods, LLC	\$107,836	\$83,877	\$23,959	2
Grain Warehouse Keeper					
2020	Asbury Grain Services, LLC	\$66,245	\$66,245	\$0	46
2021	St. Nazianz Milling, LLC	\$88,670	\$88,670	\$0	15
Milk Contractor					
2005	Linden Cheese Company	\$193,286	\$130,378	\$62,908	36
2014	Liberty Milk Marketing Cooperative	\$1,291,826	\$1,012,790	\$279,036	27
2019	Noble View Creamery, LLC	\$207,298	\$164,897	\$42,401 ²	5
2020	Southwestern Wisconsin Dairy Goat Products Cooperative	\$264,319	\$211,455	\$52,864 ³	22
2024	Hastings Creamery LLC	\$931,631	\$738,878	\$192,754	31
Vegetable Contractor					
2013	Allens, Inc.	\$8,782,359	\$6,753,802	\$2,028,557	19
Total		\$12,475,016	\$9,719,723	\$2,755,293	

¹ The Default Amount was paid from security that was held for the producers of Asbury Grain Services, LLC

² In August of 2019 Noble View paid the remaining \$42,401 owed to producers.

³ As of September 30, 2021, Southwestern Wisconsin Dairy Goat Products Cooperative has paid \$23,755.04 of the remaining amount owed to milk producers.

APS Fund Default Payments Recovered

Contractor	APS Fund Payments	Payments Recovered	Recovered Date
Grain Dealer			
Cuff Nutrition Services, LLC	\$1,982	\$22	January-2016
GB Elevator, LLC	\$125,001	\$75,000	May-2017
Ruby Grain, LLC	\$60,269	\$0	
Frank's Feed Mill, Inc.	\$26,703	\$0	
Pipeline Foods, LLC	\$83,877	\$0	
Grain Warehouse Keeper			
Asbury Grain Services, LLC	\$66,245	\$0	
St. Nazianz Milling, LLC	\$88,670	\$11,982	March-2022
Milk Contractor			
Linden Cheese Company	\$130,378	\$0	
Liberty Milk Marketing Cooperative	\$1,012,790	\$347,215	January-2020
Liberty Milk Marketing Cooperative		\$141,981	March-2019
Noble View Creamery, LLC	\$164,897	\$164,897	January-2021
Southwestern Wisconsin Dairy Goat Products Cooperative	\$211,455	\$0	
Hastings Creamery LLC	\$738,878	\$0	
Vegetable Contractor			
Allens, Inc.	\$6,753,802	\$50,124	August-2014
Allens, Inc.		\$216,777	June-2023
Allens, Inc.		\$33,950	June-2024
Total	\$9,464,947	\$1,041,947	